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Stark & Grassley Introduce Bill to Strengthen Oversight

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WASHINGTON, DC - Today, Congressman Pete Stark (D-CA) and Senator Charles Grassley (R-IA) released the findings of a Government Accountability Office (GAO) investigation (GAO-04-850) that raises serious questions about the effectiveness of the system used to accredit and oversee hospitals that serve Medicare beneficiaries.

"This report raises serious concerns about the ability of the hospital accreditation process to assure compliance with Medicare's requirements," Rep. Stark said. "While it would be unreasonable to conclude, based on this investigation, that there's widespread failure within the system, deliberate action is long overdue."

The GAO investigation, which was based on a retrospective survey of 500 hospitals conducted by a team of government inspectors, found that the private Joint Commission on the Accreditation of Health Care Organizations (JCAHO) -- which accredits more than 80 percent of the hospitals in the U.S. -- failed to identify a number of serious deficiencies that were later identified by routine government

surveyors. In fact, out of the group of 500 hospitals, JCAHO missed deficiencies in 123 hospitals. These standards, which reflect Medicare's minimum requirements, encompass basic, important hospital quality assurance and safety standards. Examples of those missed by JCAHO surveyors include:

inadequate

hospital procedures to prevent the spread of infections; inability to assure competent performance of physicians and nurses; and failure to adequately protect patients and staff from fire-related disasters.

In

response, Stark and Grassley introduced legislation that would provide the Centers for Medicare and Medicaid Services (CMS) with the same oversight authority over JCAHO as is currently the case for all other organizations with accreditation authority. Doing so would reverse nearly 40 years of practice; the original Medicare Act of 1965 granted JCAHO a unique status to deem hospitals as eligible for Medicare payments with virtually no federal oversight.

This

is not the first time that problems in the Medicare hospital accreditation and oversight process have come to light. In 1990, the Ways and Means Committee had a hearing on this very issue. In 1999, an investigation by the Health and Human Services Office of the Inspector General (OIG) concluded that JCAHO accreditation surveys were not likely to identify patterns of deficient care.

"While

more may need to be done, the legislation we're introducing today will improve accountability," Stark said. "It establishes a clear chain of command within the hospital oversight process to improve patient safety. It will assure that taxpayer dollars are being spent in facilities that meet Medicare's standards."

"To

do this, those that make up the three-legged stool of the hospital oversight process - Congress, CMS and JCAHO - need to work together to address issues of hospital safety and quality," said Stark. "JCAHO must improve its evaluation processes and CMS needs the authority to help them do it. CMS Administrator Mark McClellan has been working with us on this issue and is committed to making improvements. But, he can't do everything that is needed until Congress removes the hurdle in current law. The federal government has a responsibility to do its best to ensure that Medicare patients are safe and protected from unnecessary harm."